

-----Original Message-----

From: Clinton Griffin [mailto:CGGriffin@detroitmi.gov]
Sent: Wednesday, October 06, 2010 12:46 PM
To: Marcel Hurt; Laurence E. Winokur
Cc: Brian Watkins
Subject: Fwd: 210 Commercial Rehab

Submitted by
Kenneth Cole

Pls read/share/discuss/resolve!!!

Marcel I'm sending the enclosed e-mail as a "beginning" point to arrive at a resolution "different" from the current status of RAD & CPC's recommendation to Council to deny approval of this PA 210 request..

For clarity sake my understanding of the assumptions for the denial is based on; 1. the site not being a "qualified facility" also 2. CPC's not acceptinmg the Assessor office determination as to whether the primary use was previously "commercial".

(Marcel you may need to assert your "magic" here, after all it's not CPC's call. PDD has secured, as required by the Act, the Assessor's support letter, essential "certifying" that this is an appropriate designated for this site./facility for a PA 210.) Let me know if either of you need any additional documents/information. Finally I think we are on as a line item, next week (Thursday) not tomorrow.

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Marcel Hurt , Esq City Council RAD - 224-4946

Heather Cole, State Tax Commission - 517-373-0675

>>> "Heather Cole" <ColeH2@michigan.gov> 10/6/2010 11:42 AM >>>

Clinton-

If at the time of the request for the district, a request for the district can be the filing of the application for exemption with the clerk, there is a qualified facility on the site then a district can be established. In the City of Detroit it has been known to take up to 6 months to establish a district or approve an application, this is not the fault of the applicant and the applicant should not be penalized as a result of this. Per MCL 207.845 requirements the city council is required to approve or disapprove an application by resolution within 60 days of receiving it. This is not the case here and often is not. Once the applicant has filed application for exemption they are free to start the work and in fact can begin the work up to 6 months before the application is filed. There is no requirement under the act that says the district must be in place prior to the commencement of the rehabilitation, the term rehabilitation does not include "demolition" only the "new construction". If at the time of the request for the district there is a qualified facility then the district requirements are met and the district should be approved. If there is a legitimate reason for the denial of the district it needs to meet the requirements under the act and put in a resolution. The only requirement for establishing a Commercial Rehabilitation District is that a portion of the land within the district contains a Qualified Facility. By definition a qualified facility is a building or group of contiguous buildings of commercial property that is at least 15 years old or allocated for a new markets tax credit. This refers back to the definition of commercial property which is real property, including buildings on leased land which are assessed as personal property, the primary use of which is a commercial business enterprise (no definition provided) or multi-family residential use (which is housing consisting of 5 or more units). If at the time of the request for a district, which can be the filing of the application with the clerk, the site qualifies for a district then a district should be established.

Please let me know if you have any questions.

-Heather

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